



Statement of The Insurance Association of Connecticut

Commerce Committee

February 22, 2022

**SB 99 - An Act Establishing a Working Group to Study Remote Notarial Acts and the Revised
Uniform Law on Notarial Acts**

I am Eric George, President of the Insurance Association of Connecticut (IAC). The IAC is a state-based trade association that represents Connecticut's property and casualty insurance industry and Connecticut's life insurance and financial security industries. Among other insurance-related products, IAC members offer (i) home insurance, (ii) auto insurance, (iii) workers' compensation insurance, (iv) liability insurance, (v) group benefits, (vi) life insurance, (vii) annuities, (viii) retirement plans, (ix) long-term care insurance, (x) disability income insurance, and (xi) reinsurance.

The IAC strongly supports modifications to state statutes to allow for fully electronic and remote notarization. As we have learned from the COVID-19 pandemic, technology can and must be utilized to maintain the continuity of commerce regardless of the logistical obstacles that exist (such as a global pandemic that, at best hinders and at worst cripples, the flow of goods and services). Full electronic and remote notarization will greatly aid in this endeavor.

The insurance industry must often utilize notarized documents and must participate in the action of notarization. And Connecticut's insurance industry is one of the fundamental economic engines of our state.

According to *"2018 Connecticut Insurance Market Brief: Drivers of Change – InsurTech Comes of Age"*, PriceWaterHouseCoopers, Connecticut Insurance and Financial Services Cluster, November, 2018 (the "Report"), the Connecticut insurance industry and market are vital components to Connecticut's economy. The Report states the following about the Connecticut insurance industry:

- With 1,478 domestic insurance companies and nondomestic insurance companies licensed to do business in the state, Connecticut's insurance industry is one of the largest in the world;
- These insurers write more than \$35.3 billion in premiums annually;
- These insurers contribute \$13.9 billion to Connecticut's Gross State Product;
- At 2.7%, Connecticut ranks (i) first nationally in insurance carrier employment as a percentage of total employment and (ii) first nationally in terms of insurance payroll as a percent of total payroll;
- Connecticut insurers provide annual average wages of nearly \$90,294 for approximately 60,233 insurance carrier and related full-time employees;
- Connecticut leads the nation in insurance payroll, which contributes 5.3% of the total state payroll;
- The insurance industry creates good paying jobs in management, legal, computer, mathematics, technology, business and financial operations; and

- For every 1 insurance job, more than 2 additional jobs are created in the Connecticut economy through induced and indirect effects.

The IAC has been actively engaged with other stakeholders and interested parties in crafting a mutually agreeable remote notarization statutory platform. We are working with parties that initially had concerns with such remote notarization initiatives, but through compromise and good faith negotiations, are hopefully going to be able to be in a position to not oppose such remote notarization.

As we progress towards a mutually agreeable proposal, we ask that this Committee consider adopting that language in substitution of the existing language contained in SB 99.

For the foregoing reasons, the IAC asks this Committee to move forward with SB 99 as described herein. Thank you.